

## Message Text

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FM SECSTATE WASHDC  
TO AMEMBASSY OTTAWA IMMEDIATE

UNCLAS STATE 056130

FOR THE AMBASSADOR

E.O. 11652: N/A

TAGS: SENV, CA

SUBJECT: BEAUFORT SEA

1. EMBASSY SHOULD DELIVER FOLLOWING NOTE TO APPROPRIATE  
HIGH LEVEL IN EXTAFF FOR THE PURPOSE OF REGISTERING SERIOUS  
UNITED STATES CONCERN OVER CANADIAN DRILLING IN THE BEAU-  
FORT SEA DURING THE SUMMER OF 1977.

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2. BEGIN TEXT: THE EMBASSY OF THE UNITED STATES PRESENTS  
ITS COMPLIMENTS TO THE DEPARTMENT OF EXTERNAL AFFAIRS AND  
HAS THE HONOR TO REFER TO THE DISCUSSIONS WHICH HAVE TAKEN  
PLACE BETWEEN THE REPRESENTATIVES OF THE GOVERNMENTS WITH  
REGARD TO CANADIAN OIL DRILLING OPERATIONS IN THE BEAUFORT  
SEA.

AFTER REVIEWING THE REPORTS OF OPERATIONS DURING THE 1976 SEASON PREPARED BY THE DEPARTMENT OF INDIAN AND NORTHERN AFFAIRS THE UNITED STATES GOVERNMENT HAS CONCLUDED THAT THE CONCERNS AND APPREHENSIONS REGARDING POSSIBLE EFFECTS ON U.S. INTERESTS EXPRESSED TO THE GOVERNMENT OF CANADA PRIOR TO THE 1976 SEASON WERE JUSTIFIED. THE MEASURES WHICH THE OPERATORS HAD PROMISED TO PUT INTO EFFECT TO PREVENT ACCIDENTS AND TO AVOID ENVIRONMENTAL DAMAGE EITHER WERE NOT FULLY IMPLEMENTED OR DID NOT FUNCTION ADEQUATELY. OF GREAT-

ER CAUSE FOR CONCERN WERE THE APPARENT DIFFICULTIES EXPERIENCED BY AUTHORITIES IN PREVENTING OR CORRECTING THE REPEATED VIOLATIONS NOTED IN THE RECORD OR IN CLOSING DOWN OPERATIONS UNTIL THE DEFICIENCIES WERE RECTIFIED.

THE UNITED STATES WISHES TO EXPRESS ITS APPRECIATION TO THE GOVERNMENT OF CANADA FOR THE FULL AND FRANK EXCHANGE OF INFORMATION AND VIEWS REGARDING THE 1976 DRILLING SEASON, WHICH TOOK PLACE ON MARCH 3, 1977. THE UNITED STATES WELCOMES THE STATEMENTS MADE AT THIS MEETING THAT THE GOVERNMENT'S REGULATIONS WILL BE STRICTLY ENFORCED IF THE CANADIAN GOVERNMENT DECIDES TO AUTHORIZE DRILLING DURING THE 1977 SEASON AND WISHES TO SUPPORT IN THE STRONGEST POSSIBLE TERMS THIS INTENTION OF THE GOVERNMENT OF CANADA. GIVEN THE FRAGILE ECOSYSTEM IN THE BEAUFORT SEA, THE DEPENDENCE OF NATIVE PEOPLES AND OTHERS ON THE AREA'S LIMITED RESOURCES, AND THE INABILITY EFFECTIVELY TO CLEAN UP ANY SIGNIFICANT DISCHARGE OF OIL INTO THESE WATERS, THE GOVERNMENT OF THE UNITED STATES BELIEVES THAT IT MUST

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HAVE ASSURANCES THAT ALL GOVERNMENT REGULATIONS PUT IN PLACE FOR THE PROTECTION OF THE ENVIRONMENT WILL BE STRICTLY OBSERVED BY THE OPERATORS AND THAT A SHUTDOWN OF DRILLING OPERATIONS WILL BE ORDERED IF THESE REGULATIONS ARE VIOLATED. ABSENT SUCH ASSURANCES, THE UNITED STATES DOES NOT BELIEVE THAT A DRILLING PROGRAM FOR 1977 SHOULD BE AUTHORIZED.

THE UNITED STATES GOVERNMENT CONTINUES TO FEEL THAT THE AGREEMENTS PRESENTLY IN FORCE REGARDING THE LIABILITY OF THE TWO OPERATORS FOR ANY ENVIRONMENTAL DAMAGE AFFECTING THE UNITED STATES ARE UNSATISFACTORY, PARTICULARLY IN VIEW OF THE COMPLEXITY OF THE UNDERTAKING AND THE SERIOUS CONSEQUENCES WHICH COULD RESULT FROM ANY POLLUTION INCIDENT. WITH THESE CONCERNS IN MIND, THE UNITED STATES GOVERNMENT LOOKS FORWARD TO THE RESUMPTION OF DISCUSSIONS REGARDING THE OPERATORS' LIABILITY IN THE VERY NEAR FUTURE IN HOPES THAT A MUTUALLY SATISFACTORY ARRANGEMENT WILL BE IN PLACE TO THE COMMENCEMENT OF ANY FURTHER DRILL-

ING IN THE BEAUFORT SEA.

THE UNITED STATES GOVERNMENT TRUSTS THESE VIEWS WILL BE  
TAKEN FULLY INTO ACCOUNT IN ANY CONSIDERATION BY THE GOV-  
ERNMENT OF CANADA OF FURTHER DRILLING IN THE BEAUFORT SEA.

THE EMBASSY OF THE UNITED STATES TAKES THIS OPPORTUNITY  
TO RENEW TO THE DEPARTMENT OF EXTERNAL AFFAIRS THE ASSUR-  
ANCES OF ITS HIGHEST CONSIDERATION. -- END TEXT.

3. IN ADDITION TO DELIVERING THE ABOVE NOTE, YOU SHOULD

MAKE ORALLY THE FOLLOWING POINTS:

-- WE APPRECIATE THE VERY DETAILED INFORMATION PROVIDED  
TO US CONCERNING THE 1976 BEAUFORT SEA DRILLING OPERATIONS,  
AS WELL AS THE OPPORTUNITY TO CONSULT WITH CANADIAN  
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AUTHORITIES ON MARCH 3.

-- WE LOOK FORWARD TO FURTHER CONSULTATIONS, TO THE  
CONTINUED FLOW OF INFORMATION AND TO NEW OPPORTUNITIES  
FOR U.S. OFFICIALS TO OBSERVE THE DRILLING, AS AGREED  
TO AT THE MARCH 3 MEETING.

-- WE RECOGNIZE THAT THE BEAUFORT SEA UNDERTAKING IS IN  
KEEPING WITH CANADA'S DESIRE TO EXPLOIT HER ENERGY  
RESOURCES AND THAT CONSIDERABLE PRESSURE EXISTS TO MAKE  
VIABLE THE COMPANIES' EXPENDITURES WHICH, WE UNDERSTAND,  
ALREADY TOTAL MORE THAN 200 MILLION DOLLARS. WE HOPE,  
HOWEVER, THAT THIS PRESSURE WILL NOT BE ALLOWED TO PUSH  
THE CANADIAN GOVERNMENT INTO AUTHORIZING DRILLING IN AN  
ENVIRONMENTALLY UNACCEPTABLE MANNER, WHICH COULD EASILY  
RESULT IN A MAJOR POLLUTION INCIDENT DAMAGING TO BOTH  
COUNTRIES.

-- WE EXPECT A FULL RESPONSE ON OUR REQUEST FOR ASSURANCES  
FROM THE GOVERNMENT OF CANADA.

-- WE DO NOT INTEND, AT THIS TIME, TO MAKE OUR NOTE  
PUBLIC AND WILL CONSULT WITH THE CANADIANS BEFORE DOING  
SO.  
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## Message Attributes

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**Decaption Note:** 25 YEAR REVIEW  
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